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 JUNE 20, 1975.

HON. VANCE HARTKE,  
*Chairman, Senate Committee on Veterans Affairs, Russell Senate Office Building, Washington, D.C.*

DEAR CHAIRMAN HARTKE: The American Legion fully supports S. 1597, the Veterans Disability Compensation and Survivors Benefits Act of 1975, as favorably reported by your Committee on Veterans Affairs, June 19.

The measure would provide for full cost of living increases for service-disabled veterans and their spouses and children effective July 1. The bill, H.R. 7767, as passed by the House would not.

Your provision to automatically entitle the dependents of permanently and totally disabled veterans to payments of Dependents Indemnity Compensation will, if approved, satisfy a mandate of long standing of the American Legion.

In addition, the bill provides for cost of living increases in special compensation payable to service-disabled veterans who have suffered the loss of an extremity, and for certain other conditions. Payment of these statutory awards is founded in the history of veterans disability compensation commencing with the General Pension Law approved July 14, 1862.

Approval of S. 1597, as favorably reported by your Committee, is much needed legislation. We urge the Senate to favorably consider this measure at the earliest opportunity.

Sincerely,

JAMES M. WAGONSELLER,  
*National Commander.*

Mr. HARTKE. Mr. President, I and the members of this committee strongly believe that the cost-of-living increases provided in this measure are thoroughly warranted in order to help restore the lost purchasing power sustained by our Nation's 2.2 million disabled veterans as well as the 372,000 survivors of veterans who died in service to their country.

The measure we acted on today provides for an effective date of July 1, 1975. I am hopeful that we can resolve our differences with the House quickly prior to that time. But, in any event the July 1 effective date in this bill would allow retroactive increases if we are unable to agree prior to that time. Accordingly I urge Senate Members to support S. 1597, the Veterans' Disability Compensation and Survivor Benefits Act of 1975.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

Mr. GOLDWATER. Reserving the right to object, I would like to ask a question of the Senator from Indiana (Mr. HARTKE). Could the Senator give us a guess as to what this might cost.

Mr. HARTKE. The estimated cost is \$584.8 million the first year. It gradually decreases to \$583.4 at the end of 5 years.

Mr. GOLDWATER. The first year?

Mr. HARTKE. Yes; the cost of living increases are within the framework of the first concurrent resolution reported from the Budget Committee. It is not within the framework of the President's budget. He asked for a 5-percent increase limit. I might as well make this clear so that no one is misled as to this situation. He asked for an overall increase limitation of 5 percent of social security and all

increases across the board including veterans disability compensation but the Senate Budget Committee has incorporated actual cost-of-living increases in its first concurrent resolution.

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments are considered and agreed to en bloc.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. THURMOND. Mr. President, I rise in support of H.R. 7767, as amended, the Veterans Disability Compensation and Survivor Benefits Act of 1975. I am pleased to be a cosponsor of this legislation.

Briefly, this bill is designed to provide a cost of living increase in service-connected disability compensation and in dependency and indemnity compensation survivors' benefits.

Additionally, H.R. 7767, as amended by the Senate, will provide an increase in the annual clothing allowance for disabled veterans who must wear or use prosthetic or orthopedic appliances which tend to wear out their clothing.

Finally, H.R. 7767, as amended, will grant entitlement to disability indemnity compensation survivor benefits to survivors of those veterans who were rated totally or permanently disabled for at least 1 year at the time of their death.

Mr. President, as a member of the Compensation and Pension Subcommittee, I have gone into the need for the provisions of this bill. These provisions are meritorious, and I urge my colleagues to join in support of the committee recommendations.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of H.R. 7767 and that the Senate proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7767) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. MANSFIELD. Mr. President, I move to strike all after the enacting clause on H.R. 7767 and to substitute therefor the text of S. 1597 as reported to the Senate, amended, and heretofore passed.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be en bloc and the bill to be read a third time.

The bill was read the third time.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 7767), as amended, was passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 1597 be postponed indefinitely.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MANSFIELD. Is my understanding correct that the distinguished Senator from Wisconsin will now be recognized by not to exceed 15 minutes?

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma is to be recognized.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that that order be vitiated and that the time be transferred until tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Will the Senator yield for one-half minute?

Mr. PROXMIRE. I am happy to yield to the Senator.

#### ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the remarks of the distinguished Senator from Wisconsin there be a period for the conduct of morning business of 15 minutes with a time limitation of 3 minutes attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### THE CENTRAL INTELLIGENCE AGENCY: ANOTHER VIEW

Mr. PROXMIRE. Mr. President, within recent weeks there have been suggestions aired in newspaper columns and by some officials that the Central Intelligence Agency should be put out of business. In my opinion, these calls for the abolition of the CIA are foolish and dangerous.

First let us agree that the CIA has been involved in a number of serious illegal activities that cannot be defended in terms of national security or even good sense. Mail covers, infiltration of domestic organizations, the exercising of police functions, drug experimentation on unknowing people, and computerized file systems on hundreds of thousands of Americans cannot be tolerated in our society.

Any bureaucracy that operates in secret must have higher standards of morality and greater respect for civil rights than open organizations. Secrecy prohibits the exercise of the give and take of public debate. It denies the cleansing wash of accountability. Without such checks and balances ominous dangers are posed to our form of government.

Having said that, however, it should be quickly pointed out that the vast majority of CIA activities—80 to 90 percent—have not been tarnished by these revelations. The CIA is more than a traditional spy agency. Very little of its resources are devoted to the classic spy novel operations so frequently seen on television.

The CIA has two directorates which perform the intelligence analysis so vital to a free government in a world of restricted information. They are, first, the Directorate of Intelligence and second, the Directorate of Science and Technology. The former analyzes military, political and economic data from around the world. A great deal of this material is obtained from newspapers, scholarly journals, governmental publications, and certain technical devices.

The Directorate of Science and Technology is staffed by scientific personnel who can interpret the complex technological developments in the U.S.S.R. or People's Republic of China using the most advanced techniques.

Without such up-to-date information about foreign events, our leaders could make serious mistakes. Are the Russians and Chinese about to square off in another border skirmish? Are the Egyptians and Israelis really pulling back from the canal? Will a poor grain harvest this year create famine in Asian countries? Are tensions increasing in Uganda to the point that there is the possibility of regional warfare?

The CIA is the only organization that can provide this data without self-serving biases. The military intelligence organizations are subject to intense pressures.

Military officers at the Defense Intelligence Agency are rotated every 2 or 3 years thus reducing their effectiveness. As soon as they learn the business, they move on.

Furthermore, military intelligence careers are considered a dead end. They do not attract the best military personnel.

The officers working at the Defense Intelligence Agency are dependent on their own services for promotions. If they take a position contrary to the assessment of their service, it would be tantamount to promotion suicide. Therefore, even though they are at the Defense Intelligence Agency, their independence is greatly limited.

Since the military services also are in the business of purchasing weapons, there is a natural tendency to inflate the foreign threat in order to get more money from Congress.

Every year at budget time, just as surely as the flowers bloom in the spring, we get estimates from the Air Force, for example, that the Soviets have developed bombers which are better than ours. We hear from the Navy that the

Soviet navy has expanded more than 100 percent in the last 10 years. This selected release of intelligence information serves parochial purposes.

All of these factors result in a strong trend at the DIA to subjugate intelligence to military politics.

The Central Intelligence Agency is free from such conflicts. They do not have a policy of rotating staff in and out of the Agency every 2 years. They are not subject to the influence of promotions from an organization outside the intelligence field. They build no weapons and are insulated from military politics.

For this reason, to disband the CIA and give the military intelligence agencies free reign could result in a new cycle of ominous threat estimates followed by a dramatic increase in the defense budget.

There are other intelligence agencies, of course. The State Department Intelligence and Reports Bureau is competent but has few resources. Furthermore they are tied closely to the diplomatic posture of the country and have little influence outside the Department of State. Other intelligence organizations, such as the National Security Agency, are highly specialized in their approach. Only the CIA was established to coordinate and evaluate intelligence from all sources for the National Security Council and the President.

It is clear to this Senator that there are too many intelligence agencies. When the Defense Intelligence Agency was founded in 1962 by Secretary of Defense McNamara, it was the intention to disband the individual service intelligence organizations. But by the time of the Fitzhugh Blue Ribbon Panel report, however, not only had the service intelligence agencies survived but each was larger than the DIA designed to replace the whole lot. We should either drop DIA or eliminate the three service intelligence units.

Just what constructive role does the Central Intelligence Agency play in our Government? Do they provide an essential service?

The answer is a resounding "Yes," CIA intelligence analysis, for example, is indispensable to arms control and diplomacy.

The CIA provides technical support for the SALT negotiations.

They provide expertise for the mutual balanced force reduction talks in Europe.

The CIA checks to see that prior diplomatic agreements such as the Outer Space Treaty and the Nuclear Test Ban Treaty are being observed by all parties and that there is no cheating.

The CIA attempts to coordinate intelligence gathering so there is less duplication and overlap.

The CIA monitors the latest Soviet and People's Republic of China weapons developments which pose potential threats to our security.

The CIA collects and analyzes political and economic data worldwide.

And the CIA releases valuable information publicly to Congress and the academic community.

A sound intelligence capability is critical when other nations deny us infor-

mation of even rudimentary nature. It would be foolish for the United States to enter into complex arms control agreements without a top-flight intelligence gathering agency.

There can be a clear separation between intelligence gathering and covert action programs designed to interfere in the internal affairs of other nations. The former is invaluable. The latter is dangerous and counter-productive.

Talk of disbanding the CIA is unreasonable. Strong measures must be taken to insure that future violations of the law cannot occur. Criminal penalties must be devised to keep the CIA either from operating on its own or being used by the executive department.

But disbanding the CIA would shut our eyes and ears during a period of tension in the Middle East, Asia, and elsewhere. That could be dangerous to our security.

Mr. President, I want to say in conclusion that I have been briefed by the CIA as chairman of a subcommittee of the Joint Economic Committee—I have also been chairman of the committee over the years—and I have found their briefings to be extremely reliable. They are objective. They are based on comprehensive data. They serve as a welcome antidote to the kind of self-serving information that we get from all sides. I have found this absolutely essential.

I hope that Members of the Senate and the House in this emotional development we have about some abuses in the CIA will recognize that fundamentally this is an organization that is absolutely essential to the security of this country.

Mr. GOLDWATER. Will the Senator yield?

Mr. PROXMIRE. I am happy to yield.

Mr. GOLDWATER. Mr. President, I am very happy that the Senator from Wisconsin has spoken as he has this morning in defense of the CIA. I think it is long overdue that Members of this body paid their respects to this organization that has done so much for this country. While I do not agree with the Senator's appraisal of other intelligence agencies—and in the course of time I think he will understand my disagreement—I am in complete accord with him on his comments on the CIA.

We have to look on the CIA as we look on military organizations. There is a commander in chief. The commander in chief, like the military, happens to live in the White House. When organizations like the CIA are asked to do something or told to do something, this is a command and they do it whether they like it or not.

Certainly, as a member of the Select Committee on Intelligence, I am very anxious that the full report of what we have found so far be made public. I think it will give the American people a better idea of just what the CIA is doing and what it has had to put up with during the course of the time that they have gotten into public distrust.

I might comment, too, that prior to World War II we had no intelligence service in this country. During the course of World War II, the OSS was formed.

In 1947 the CIA Approved For Release 2004/05/13 : CIA-RDP91M00696R000700040007-9 that time we have developed one of the finest intelligence gathering systems in the world. I would say that the British or the Soviets were superior in some respects, but our CIA has done a highly commendable job.

Now, I am sad to relate to my friend from Wisconsin, concerning something he touched upon, we have been losing our top contacts in other countries. Strangely, this intelligence business intertwines amongst countries, both enemy and friendly. Now that the press and media have assaulted the CIA in an unwarranted way, other countries are feeling it dangerous to cooperate with our own intelligence agencies.

I would hope that in the very near future, a matter of months, that the disclosures we will make will cause the media, will cause the press, will cause those people in the citizenry to realize what a tough job this group is up against and how good a job they have been doing.

I will just close by making one surmise: if a foreign country wanted to overthrow this country, I think it would cause distrust in the schools such as we have seen; I think it would cause rioting on the streets of the major cities and major conventions such as we have seen; I think it would try to create a distrust for the Congress and the Presidency. And then I think it would try to create a distrust in the military and certainly in the intelligence agencies. I just remind my friend all of these things have happened. Whether they have happened by accident, whether they have happened because some foreign country has been causing them, is beyond my ability to relate. But I think we better be very careful in our public discussions of things that are as valuable and also at the same time as secret as the CIA.

I again commend my friend from Wisconsin.

Mr. PROXMIER. Mr. President, I thank the distinguished Senator from Arizona and agree with much of what he said. I do want to make it clear that I think that exposure by the press of abuses by the CIA, some of their activities that I think cannot be condoned, has been a very useful and constructive action. I think they have served democracy. They have helped improve this Agency. I think that we can improve it. What I have tried to do this morning is to put this whole thing in perspective. The CIA has, indeed, in my view, engaged in activities that cannot be justified. I think covert operations have to be reviewed. I think upon reflection we might very well eliminate them.

The problem is that in developing intelligence you also develop a capability of using covert action to destabilize governments and other intrusive activities. I think that that is wrong. But right or wrong, it is something that should have been discussed and determined democratically by the Congress of the United States under the law. We have not done that.

Since 80 to 90 percent of CIA operations involve the gathering of intelligence and analysis of that intelligence, this

our Government. It has served it very well, indeed. It has been operating at a level of high quality and competence.

Mr. GOLDWATER. If the Senator will yield further, I will repeat what I said before. The CIA, like other intelligence gathering agencies, are like the military, somewhat in their formation, and they take orders from on top. I think we will find in discussing these actions that the CIA has been engaged in, that they recognize the illegality of some of them. They will admit that they did not want to perform them. But when an officer or superior says, "Get along with this," one gets along with it. You may not like it, but you do it.

Mr. PROXMIER. The Senator makes a good point. We ought to fix our criticism on those who have the power or authority over the CIA, to wit, the President of the United States, as the people who have to assume the fundamental responsibilities.

Mr. President, I yield the floor.

#### ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of not to exceed 15 minutes, with a 3-minute limitation, for the transaction of routine morning business.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a 5-minute limitation rather than a 3-minute limitation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### ASSISTANCE TO THE PRESIDENT IN NEGOTIATIONS WITH OIL-PRODUCING COUNTRIES—S. 1989

Mr. STONE. Mr. President, on behalf of myself and the distinguished Senator from Montana (Mr. MANSFIELD), I am today introducing for appropriate reference a bill directing the executive agencies of the Federal Government to prepare and submit to the President of the United States inventories of the various relationships, existing and projected, between the United States and each foreign country from which crude oil, natural gas, or petroleum products are imported into the United States. This information shall be used by the President and his representatives in negotiations between the United States and the oil producing nations.

Although some of this information is already available and some of it already the subject of careful analysis, both within and outside Government, it is my opinion that the Government as of this date has not proceeded to develop a comprehensive profile of our country's myriad economic, financial, military, and technological relationships with the oil producing countries.

This information is important for our Government to have in a usable form because of the recent history of embargo and exorbitant price increases with respect to petroleum and petroleum products imported into the United States. The embargo and price increases have

caused serious economic and financial disruptions both in the United States and throughout the industrialized world. Unfortunately, on the basis of recent announcements from spokesmen of the Organization of Petroleum Exporting Countries, it appears likely that our country and the rest of the industrialized world must prepare for yet another sharp price increase for imported petroleum later this year.

Mr. President, it is my conviction that the United States cannot afford to continue to pay these ever-increasing, highly inflated prices for petroleum and petroleum products. We cannot accept the raging inflation, the debilitating unemployment, and the potential threat to our national independence which result from these imposed price increases. Even if we accelerate greatly our efforts to increase domestic production of petroleum and implement an effective conservation program, we will have to continue to import large quantities of petroleum from the OPEC nations for the near and medium term. The nature of our industrialized economy depends on the continued use of petroleum at high levels. Consequently, we cannot avoid coming to terms with the reality of the moment—unreasonable price increases for imported petroleum essential to our economic well-being imposed on this country by the oil producers' cartel with the accompanying economic and financial dislocations in our country.

Whatever else we may do about energy, Mr. President—and we need to be doing a great deal—we cannot ignore the predicament of our dependence on foreign petroleum and the apparent determination of OPEC nations to take full advantage of this situation. We cannot possibly adopt a reasonable and comprehensive energy policy unless we take into full consideration the reality of our present and near-term dependence on imported petroleum. Whatever policies we might adopt with respect to the pricing of natural gas, energy conservation, research and development for alternative energy sources, and the encouragement of greater domestic production of petroleum—all essential ingredients of an effective energy program—we are unlikely to be successful in meeting the challenge of the energy crisis unless we also proceed to develop an effective policy for countering the imposition of exorbitant and increasing prices for imported petroleum.

It is my belief, Mr. President, that the enactment of the simple bill I am introducing today represents the first, necessary step in developing a wise and effective policy with respect to the prices we pay for imported petroleum. Quite clearly, and correctly, my bill suggests no policy or program in particular which should ultimately be adopted. It merely lays the essential basis—collection of the facts—for the development of a policy. Whatever policy we might ultimately adopt with respect to imported oil prices, we must adopt it on the basis of a comprehensive understanding of the complex and multifaceted relationships which exist between our nation and the oil-producing nations. It is to the

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Attached excerpt from yesterday's Congressional Record involves Proxmire's excellent statement on the Agency and and effective colloquy with Goldwater.

Recommend you place call to both Senators thanking them for their expression of confidence, that you know that is what is in their hearts, and that statements such as these which are publicized constitute a positive contribution to employee morale.

Recommend a copy of this excerpt be placed on the employee bulletin board.

We also will send copies to the morning meeting group.

STAT

Acting Legislative Counsel

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